

106TH CONGRESS  
2D SESSION

# H. R. 5568

To encourage employer selection of freedom-of-choice health coverage.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 26, 2000

Mr. DEMINT (for himself, Mr. ARMEY, Mr. COOKSEY, and Mr. TOOMEY) introduced the following bill; which was referred to the Committee on Education and the Workforce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To encourage employer selection of freedom-of-choice health coverage.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SEC. 1. SHORT TITLE.**

4       This Act may be cited as the “Patients’ Declaration  
5       of Independence Act of 2000”.

6       **SEC. 2. FREEDOM OF CHOICE FOR EMPLOYEES.**

7       (a) EMPLOYER FREEDOM FROM LIABILITY.—In the  
8       case of a group health plan that is a freedom-of-choice  
9       plan with respect to a participant or beneficiary—

1           (1) an employer maintaining the plan shall not  
2       be liable pursuant to any cause of action relating to  
3       the provision of (or failure to provide, or manner of  
4       provision of) benefits under any health insurance  
5       coverage that may be secured by such participant or  
6       beneficiary in connection with the plan, and

7           (2) there shall be no right of recovery, indem-  
8       nity, or contribution by a person against such an  
9       employer (or an employee of such such an employer  
10      acting within the scope of employment) for damages  
11      assessed against the person pursuant to any such  
12      cause of action.

13   For purposes of title I of the Employee Retirement Income  
14   Security Act of 1974, any such employer (and any such  
15   employee) shall not be considered a fiduciary of the plan.

16       (b) **FREEDOM-OF-CHOICE PLAN DEFINED.**—For  
17   purposes of this section, a freedom-of-choice group health  
18   plan described in this subsection, with respect to a partici-  
19   pant or beneficiary, is a group health plan that—

20           (1) provides benefits on behalf of the partici-  
21      pant or beneficiary only in the form of a contribu-  
22      tion towards the cost of health insurance coverage  
23      that meets the applicable requirements of law;

24           (2) does not impose any restriction with respect  
25      to such coverage, including the benefits available

1       under such coverage, the health insurance issuer  
2       that offers such coverage, and the selection of such  
3       coverage; and

4               (3) provides that the participant (and not the  
5       employer or plan) is the owner of the health insur-  
6       ance coverage.

7       For purposes of the Internal Revenue Code of 1986, a  
8       contribution described in paragraph (1) shall be treated  
9       as employer-provided coverage under a health plan.

10       (c) ADDITIONAL DEFINITIONS.—The definitions con-  
11       tained in section 2791 of the Public Health Service Act  
12       shall apply for purposes of this section.

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